

Introduced by Senator Price

February 19, 2010

An act to amend Sections 10830, 11265.1 and 11265.3 of, and to repeal and add Section 18910 of, the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

SB 1359, as introduced, Price. Public social services: food stamps.

(1) Existing law requires each county to provide cash assistance and other social services to needy families through the California Work Opportunity and Responsibility to Kids (CalWORKs) program using federal Temporary Assistance to Needy Families (TANF) block grant program, state, and county funds. Under existing law, the county is required to annually redetermine eligibility for CalWORKs benefits.

Existing law additionally requires the county to redetermine recipient eligibility and grant amounts on a quarterly basis, as prescribed. Under existing law, the CalWORKs quarterly reporting system is also implemented by the State Department of Social Services in administering the federal Supplemental Nutrition Assistance Program, which is administered in California as the Food Stamp program. Under the Food Stamp program, each county distributes food stamps provided by the federal government to eligible households.

This bill would repeal the provisions requiring the Food Stamp program to implement CalWORKs reporting requirements, and to the extent permitted by federal law, would impose requirements for semiannual reporting for the Food Stamp program, operative on ____, to be implemented no later than _____. The bill would authorize counties to adopt staggered semiannual reporting requirements, as specified.

(2) Existing law requires the State Department of Social Services and the California Health and Human Services Agency Data Center formerly the Health and Welfare Data Center to design, implement, and maintain a statewide fingerprint imaging system for use in connection with the determination of eligibility for benefits under the CalWORKs program, excluding the Aid to Families with Dependent Children-Foster Care program, and the federal Supplemental Nutrition Assistance Program. Existing law, with specified exceptions, requires applicants for, and recipients of, CalWORKs and Food Stamp program benefits, as a condition of eligibility, to be fingerprint imaged, pursuant to the statewide fingerprint imaging system.

This bill would delete the fingerprint imaging requirements, with respect to applicants and recipients under the Food Stamp program.

(3) Existing law imposes limits on the amount of income and personal and real property an individual or family may possess in order to be eligible for aid under the Food Stamp program.

This bill, to the extent permitted by federal law, would prohibit eligibility for food stamps from being conditioned on the limitation of an individual's or family's assets, as defined, and would delete existing asset limitations.

(4) This bill would authorize the department to implement its provisions through all-county letters until the adoption of implementing regulations, as prescribed.

(5) To the extent that this bill would expand eligibility for food stamp benefits, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10830 of the Welfare and Institutions
- 2 Code, as amended by Section 241 of Chapter 179 of the Statutes
- 3 of 2008, is amended to read:

10830. (a) The department and the ~~Health and Welfare~~
California Health and Human Services Agency Data Center shall
design, implement, and maintain a statewide fingerprint imaging
system for use in connection with the determination of eligibility
for benefits under the California Work Opportunity and
Responsibility to Kids Act (CalWORKs) program under Chapter
2 (commencing with Section 11200) of Part 3 excluding Aid to
Families with Dependent Children-Foster Care (AFDC-FC), ~~and~~
~~the Food Stamp Program under Chapter 10 (commencing with~~
~~Section 18900) of Part 6.~~

(b) (1) Every applicant for, or recipient of, aid under Chapter
2 (commencing with Section 11200) of Part 3, excluding the
AFDC-FC program ~~and Chapter 10 (commencing with Section~~
~~18900) of Part 6~~, other than dependent children or persons who
are physically unable to be fingerprint imaged, shall, as a condition
of eligibility for assistance, be required to be fingerprint imaged.

(2) A person subject to paragraph (1) shall not be eligible for
the CalWORKs program ~~or the Food Stamp Program~~ until
fingerprint images are provided, except as provided in subdivision
(e). Ineligibility may extend to an entire case of a person who
refuses to provide fingerprint images.

(c) The department may adopt emergency regulations to
implement this section specifying the statewide fingerprint imaging
requirements and exemptions to the requirements in accordance
with the Administrative Procedure Act (Chapter 3.5 (commencing
with Section 11340) of Part 1 of Division 3 of Title 2 of the
Government Code). The initial adoption of any emergency
regulations implementing this section, as added during the 1996
portion of the 1995–96 Regular Session, shall be deemed to be an
emergency and necessary for the immediate preservation of the
public peace, health and safety, or general welfare. Emergency
regulations adopted pursuant to this subdivision shall remain in
effect for no more than 180 days.

(d) Persons required to be fingerprint imaged pursuant to this
section shall be informed that fingerprint images obtained pursuant
to this section shall be used only for the purpose of verifying
eligibility and preventing multiple enrollments in the CalWORKs
program ~~or the Food Stamp Program~~. The department, county
welfare agencies, and all others shall not use or disclose the data
collected and maintained for any purpose other than the prevention

1 or prosecution of fraud. Fingerprint imaging information obtained
2 pursuant to this section shall be confidential under Section 10850.

3 (e) (1) Except as provided in paragraph (2), the fingerprint
4 imaging required under this chapter shall be scheduled only during
5 the application appointment or other regularly scheduled
6 appointments. No other special appointment shall be required. No
7 otherwise eligible individual shall be ineligible to receive benefits
8 under this chapter due to a technical problem occurring in the
9 fingerprint imaging system or as long as the person consents to
10 and is available for fingerprint imaging at a mutually agreed-upon
11 time, not later than 60 days from the initial attempt to complete
12 fingerprint imaging.

13 (2) During the first nine months following implementation,
14 recipients may be scheduled for separate appointments to complete
15 the fingerprint imaging required by this section. Notice shall be
16 mailed first class by the department to recipients at least 10 days
17 prior to the appointment, and shall include procedures for the
18 recipient to reschedule the scheduled appointment within 30 days.

19 (f) If the fingerprint image of an applicant or recipient of aid to
20 which this section applies matches another fingerprint image on
21 file, the county shall notify the applicant or recipient. In the event
22 that a match is appealed, the fingerprint image match shall be
23 verified by a trained individual and any matching case files
24 reviewed prior to the denial of benefits. Upon confirmation that
25 the applicant or recipient is receiving or attempting to receive
26 multiple CalWORKs program checks, a county fraud investigator
27 shall be notified.

28 SEC. 2. Section 11265.1 of the Welfare and Institutions Code,
29 as added by Section 30 of Chapter 1022 of the Statutes of 2002,
30 is amended to read:

31 11265.1. (a) In addition to the requirement for an annual
32 redetermination of eligibility, counties shall redetermine recipient
33 eligibility and grant amounts on a quarterly basis using prospective
34 budgeting. Counties shall use the information reported on a
35 recipient's quarterly report form to prospectively determine
36 eligibility and grant amount for the following quarterly reporting
37 period.

38 (b) A quarterly reporting period shall be three consecutive
39 calendar months. The recipient shall submit one quarterly report
40 form for each quarterly reporting period. Counties shall provide a

1 quarterly report form to recipients at the end of the second month
2 of the quarterly reporting period, and recipients shall return the
3 completed quarterly report form with required verification to the
4 county by the 11th day of the third month of the quarterly reporting
5 period.

6 (c) Counties may establish staggered quarterly reporting cycles
7 based on factors established or approved by the department,
8 including, but not limited to, application date or case number.

9 (d) The quarterly report form shall be signed under penalty of
10 perjury, and shall include only information necessary to determine
11 CalWORKs ~~and food stamp~~ eligibility and calculate the
12 CalWORKs grant amount ~~and food stamp allotment~~, as specified
13 by the department. The form shall be as comprehensible as possible
14 for recipients and shall require recipients to provide the following:

15 (1) Information about income received during the second month
16 of the quarterly reporting period.

17 (2) Information about income that the recipient anticipates
18 receiving during the following quarterly reporting period.

19 (3) Any other changes to facts required to be reported, together
20 with any changes to those facts that the recipient anticipates will
21 occur. The recipient shall provide verification as specified by the
22 department with the quarterly report form.

23 (e) A quarterly report form shall be considered complete if the
24 following requirements, as specified by the department, are met:

25 (1) The form is signed no earlier than the first day of the third
26 month of the quarterly reporting period by the persons specified
27 by the department.

28 (2) All questions and items pertaining to CalWORKs ~~and food~~
29 ~~stamp~~ eligibility and grant amount are answered.

30 (3) Verification required by the department is provided.

31 (f) If a recipient fails to submit a complete quarterly report form,
32 as defined in subdivision (e), by the 11th day of the third month
33 of the quarterly reporting period, the county shall provide the
34 recipient with a notice that the county will terminate benefits at
35 the end of the month. Prior to terminating benefits, the county shall
36 attempt to make personal contact to remind the recipient that a
37 completed report is due, or, if contact is not made, shall send a
38 reminder notice to the recipient no later than five days prior to the
39 end of the month. Any discontinuance notice shall be rescinded if

1 a complete report is received by the first working day of the first
2 month of the following quarterly reporting period.

3 (g) The county may determine, at any time prior to the last day
4 of the calendar month following discontinuance for nonsubmission
5 of a quarterly report form, that a recipient had good cause for
6 failing to submit a complete quarterly report form, as defined in
7 subdivision (e), by the first working day of the month following
8 discontinuance. If the county finds a recipient had good cause, as
9 defined by the department, it shall rescind the discontinuance
10 notice. Good cause exists only when the recipient cannot
11 reasonably be expected to fulfill his or her reporting responsibilities
12 due to factors outside of the recipient's control.

13 SEC. 3. Section 11265.3 of the Welfare and Institutions Code
14 is amended to read:

15 11265.3. (a) In addition to submitting the quarterly report form
16 as required in Section 11265.1, during the quarterly reporting
17 period, a recipient shall report the following changes to the county
18 orally or in writing, within 10 days of the change:

19 (1) The receipt at any time during a quarterly reporting period
20 of income, as provided by the department, in an amount that is
21 likely to render the recipient ineligible, as provided by the
22 department.

23 (2) The occurrence at any time during a quarterly reporting
24 period of a drug felony conviction as specified in Section 11251.3.

25 (3) The occurrence, at any time during a quarterly reporting
26 period, of an individual fleeing prosecution or custody or
27 confinement, or violating a condition of probation or parole as
28 specified in Section 11486.5.

29 (b) Counties shall inform each recipient of the duty to report
30 under paragraph (1) of subdivision (a), the consequences of failing
31 to report, and the amount of income likely to render the family
32 ineligible for benefits no less frequently than once per quarter.

33 (c) When a recipient reports income pursuant to paragraph (1)
34 of subdivision (a) the county shall redetermine eligibility and grant
35 amounts as follows:

36 (1) If the recipient reports a change for the first or second month
37 of a current quarterly reporting period, the county shall verify the
38 report and determine if the recipient is financially ineligible. If the
39 recipient is determined to be financially ineligible based on this
40 income, the county shall discontinue the recipient after timely and

adequate notice in accordance with rules applicable to the federal Food Stamp program.

(2) If the recipient reports a change for the third month of a current quarterly reporting period, the county shall not redetermine eligibility for the current quarterly reporting period, but shall redetermine eligibility and grant amount for the following quarterly reporting period as provided in Section 11265.2.

(d) (1) During the quarterly reporting period, a recipient may report to the county, orally or in writing, any changes in income or household circumstances that may increase the recipient's grant.

(2) Counties shall act upon changes in income reported during the quarterly reporting period that result in an increase in benefits, after verification specified by the department is received. Reported changes in income that increase the grant shall be effective for the entire month in which the change is reported. If the reported change in income results in an increase in benefits, the county shall issue the increased benefit amount within 10 days of receiving required verification.

(3) (A) When a decrease in gross monthly income is voluntarily reported and verified, the county shall redetermine the grant for the current month and any remaining months in the quarterly reporting period by averaging the actual gross monthly income reported and verified from the voluntary report for the current month and the gross monthly income that is reasonably anticipated for any future month remaining in the quarterly reporting period.

(B) When the average is determined pursuant to subparagraph (A), and a grant amount is calculated based upon the averaged income, if the grant amount is higher than the grant currently in effect, the county shall revise the grant for the current month and any remaining months in the quarter to the higher amount and shall issue any increased benefit amount as provided in paragraph (2).

(4) Except as provided in subdivision (e), counties shall act only upon changes in household composition voluntarily reported by the recipients during the quarterly reporting period that result in an increase in benefits, after verification specified by the department is received. If the reported change in household composition is for the first or second month of the quarterly reporting period and results in an increase in benefits, the county shall redetermine the grant effective for the month following the month in which the change was reported. If the reported change

1 in household composition is for the third month of a quarterly
2 reporting period, the county shall not redetermine the grant for the
3 current quarterly reporting period, but shall redetermine the grant
4 for the following reporting period as provided in Section 11265.2.

5 (e) During the quarterly reporting period, a recipient may request
6 that the county discontinue the recipient's entire assistance unit or
7 any individual member of the assistance unit who is no longer in
8 the home or is an optional member of the assistance unit. If the
9 recipient's request was verbal, the county shall provide a 10-day
10 notice before discontinuing benefits. If the recipient's report was
11 in writing, the county shall discontinue benefits effective the end
12 of the month in which the request is made, and simultaneously
13 issue a notice informing the recipient of the discontinuance.

14 (f) The department, in consultation with the County Welfare
15 Directors Association (CWDA), shall report to the relevant policy
16 and fiscal committees of the Legislature in April 2005 regarding
17 the effects upon program efficiency and integrity of implementation
18 of the midquarter reporting requirement set forth in subdivision
19 (a). The report shall be based on data collected by CWDA and
20 select counties. The department, in consultation with CWDA, shall
21 determine the data collection needs required to assess the effects
22 of the specified midquarter report.

23 SEC. 4. Section 18910 of the Welfare and Institutions Code is
24 repealed.

25 ~~18910. (a) To the extent permitted by federal law, regulations,~~
26 ~~waivers, and directives, the department shall implement the~~
27 ~~prospective budgeting, quarterly reporting system provided in~~
28 ~~Sections 11265.1, 11265.2, and 11265.3, and related provisions~~
29 ~~regarding the Food Stamp Program, in a cost-effective manner~~
30 ~~that promotes compatibility between the CalWORKs program and~~
31 ~~the Food Stamp Program, and minimizes the potential for payment~~
32 ~~errors.~~

33 ~~(b) The department shall seek all necessary waivers from the~~
34 ~~United States Department of Agriculture to implement subdivision~~
35 ~~(a).~~

36 SEC. 5. Section 18910 is added to the Welfare and Institutions
37 Code, to read:

38 18910. (a) (1) To the extent permitted by the federal
39 Supplemental Nutrition Assistance Program, including Section
40 2015(c) of Title 7 of the United States Code, implementing

1 regulations, and any waivers obtained by the department pursuant
2 to this section, the department shall implement a prospective
3 budgeting, semiannual reporting system for recipients of food
4 stamps.

5 (2) For recipients of food stamps who also are Medi-Cal
6 beneficiaries and who are subject to the Medi-Cal midyear status
7 reporting requirements, counties shall seek to align the timing of
8 reports required under this section with midyear status reports
9 required by the Medi-Cal program.

10 (3) Counties may establish staggered, semiannual reporting
11 cycles for individual recipients, based on factors established or
12 approved by the department, including, but not limited to,
13 application date or case number. If the county elects to stagger the
14 reporting periods for individual recipients, this section shall apply
15 to an individual recipient on the first day of the month assigned to
16 the recipient, but in no event later than _____. Up to and until the
17 establishment of the semiannual reporting system, counties shall
18 operate a quarterly system, as established by law and regulation
19 applicable immediately prior to the establishment of the semiannual
20 reporting system.

21 (b) To the extent permitted by the federal Supplemental
22 Nutrition Assistance Program, implementing regulations, and any
23 waivers obtained by the department pursuant to this section, there
24 shall be no limitation on the assets of an individual or a family as
25 a condition of eligibility for food stamps.

26 (c) The department shall seek all necessary waivers from the
27 United States Department of Agriculture to implement subdivisions
28 (a) and (b).

29 SEC. 6. It is the intent of the Legislature in enacting this act
30 to undergird the social safety net for Californians during the current
31 economic downturn, to expand access to quality food options, and
32 to stimulate California's economy as each portion of the food
33 delivery system is engaged and additional goods are purchased
34 with the additional resources made available as a result of income
35 freed from the purchase of food.

36 SEC. 7. (a) The changes made to the Welfare and Institutions
37 Code by this act shall become operative in a county on the date
38 that the county implements the semiannual reporting provisions
39 provided for in this act. A county may implement the semiannual

1 reporting provisions as early as ____, but in no event later than
2 ____.

3 (b) Notwithstanding subdivision (a), if a county elects to stagger
4 the reporting periods for individuals pursuant to paragraph (3) of
5 subdivision (a) of Section 18910 of the Welfare and Institutions
6 Code, as added by this act, this act shall apply to an individual
7 recipient on the first day of the month assigned to that recipient,
8 but in no event later than ____.

9 SEC. 8. (a) Notwithstanding Chapter 3.5 (commencing with
10 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
11 Code, until emergency regulations are filed with the Secretary of
12 State, the State Department of Social Services may implement the
13 changes made by this act through all-county letters or similar
14 instructions from the director. The department shall adopt
15 emergency regulations, as necessary to implement those changes,
16 no later than ____.

17 (b) The adoption of regulations pursuant to subdivision (a) shall
18 be deemed to be an emergency and necessary for the immediate
19 preservation of the public peace, health, safety, or general welfare.
20 The emergency regulations authorized by this section shall be
21 exempt from review by the Office of Administrative Law. The
22 emergency regulations authorized by this section shall be submitted
23 to the Office of Administrative Law for filing with the Secretary
24 of State and shall remain in effect for no more than 180 days, by
25 which time final regulations shall be adopted.

26 SEC. 9. If the Commission on State Mandates determines that
27 this act contains costs mandated by the state, reimbursement to
28 local agencies and school districts for those costs shall be made
29 pursuant to Part 7 (commencing with Section 17500) of Division
30 4 of Title 2 of the Government Code.